

DEPARTMENT OF NATURAL RESOURCES

Madison, Wisconsin

PUBLIC NOTICE

**NORTHERN HIGHLAND-AMERICAN LEGION
STATE FOREST**

Invitation for Bids
Spring, 2006

NHAL State Forest sales are certified as Sustainable Forest Products by FSC and SFI. Our SFI number is 1Y941-S1 dated May 5, 2004. The FSC number is SCS-FM/COC-00070N dated May 3, 2004.

Sealed bids will be received by the Forest Superintendent, Northern Highland-American Legion State Forest, at the Trout Lake Forestry Headquarters, Boulder Junction, Wisconsin, up to 1:00 p.m. on Friday, May 5, 2006, for tracts 37-05; 01-06 through 15-06; and tract 928-06 a total of seventeen (17) state sales.

Those tracts not sold on May 5, 2006 will be re-advertised at the fall 2006 bid opening. Any tract not sold in two bid openings may be sold directly to responsible buyers at or above the current appraised value.

Bidding will close at 1:30 p.m. at the Boulder Junction Community Center. No bids will be accepted past 1:30 p.m. on May 5 for state sales.

Please be aware that the following items are of significant importance to successful contract compliance:

1. Be sure to read all of the conditions for each sale carefully. Failure to do so may result in financial penalties.
2. Maintenance of Worker's Compensation Certificate.
3. Maintenance of surety bond and/or letters of credit for **four (4)** full years.
4. Satisfactory compliance of all requirements and specifications listed in the contract, including:
 - A. **Successful purchasers of Northern Highland-American Legion State Forest stumpage will need to ensure that the actual logging contractor complies with the Wisconsin Sustainable Forestry Initiative (SFI) Training Standard as adopted by the Wisconsin SFI Implementation Committee (SIC). This will be required prior to starting sale (contract signing).**
 - B. Beginning with contracts dated January 1, 2004 and later, the State of Wisconsin will continue a new trial payment policy. Payments for scaled wood or haul ticket wood leaving the job must be received within 30 days. If a payment is later than 30 days, then a late interest penalty will apply. Violations of payment provisions will result in contractor having to pre-pay for the remainder of that particular sale. A violation for that contractor will also be logged onto the pre-payment only list, which will require all payments on state timber sales be pre-paid for a two year time period. Successful completion of pre-payments for 2 years will remove the contractor from the list and they can again have a 30-day payment privilege. No advance stumpage is required.
 - C. The cutting of all trees on the timber sale map, which is part of the contract.
 - D. Prompt and proper treatment of all slash where required. It is the responsibility of the timber contractor to spread out all landing debris (slasher ends, stumps, slash, etc.) over the sale area to within two feet of the ground concurrently with hauling.
 - E. Liability to pay double the mill value payments for unmarked or undesignated timber cut or damaged through negligence or carelessness.
 - F. All cut stringers must be skidded and utilized.
 - G. Scaling requests can be made for a minimum of 25 cords of pulpwood and/or 10 MBF of sawlogs.
 - H. All pine products cut between June 1 and September 1 each year must be removed from sale area within three (3) weeks from time of cutting.

- I. New to the last bid opening is a policy change in the extension of expired contracts. The first six month extension will have a 5% increase of bid value and any subsequent extensions will include an additional 10% increase per extension. Please consider this when bidding and scheduling timber sale work on state forest lands.
5. The check you submit with your bid is considered a bid bond.
- Your check that you submit with your bid will be cashed and submitted to the State Treasury if you are the high bidder. Unsuccessful bidders will have these checks returned and will not be cashed. If you desire to replace your check with a surety bond, irrevocable letter of credit, etc., as a performance bond you must realize that the check may take up to 90 days to be refunded.
6. If chipping is to be done, notification will be made prior to cutting to determine pricing. Stumpage will be determined using the (chipped) species volume estimate and converted to a weighted average price per cord. That price will be used on all subsequent scaling of those species whether utilized as round or chipped wood. **This includes all wood and bark.**
7. The State will convert any mill weight scales to cordwood volume using the State weight conversions by species as listed in the Timber Sale Handbook 2461 for billing purposes. **Please request the State conversions if you have any question.**
8. Notice for all bids: We will require a minimum bid per species on every sale. Each sale has listed minimum species prices. For a bid to be considered, each and every species and product must meet or exceed the minimum advertised price per unit.

The above-listed items will continuously be scrutinized and evaluated for compliance throughout the time of the contract. Failure to comply with the above-listed or other contract conditions may result in contract closure and may jeopardize your opportunity to bid on future timber sales.

Any questions regarding NH-AL State Forest timber sales should be directed to the foresters at either the Trout Lake Forestry Headquarters (715) 385-2727 or the Woodruff DNR Annex (715) 358-9242. Willow Flowage Scenic Waters property sales contact is Tom Shockley at (715) 358-9259.

General Sale Conditions

1. Contracts will not be allowed to continue for longer than a four-year period.
2. Cutting on these areas shall be completed during the contract period. Contract extensions will be granted only when the sale operator can show just cause for an extension. Extensions may then be granted by the Department of Natural Resources or its authorized representative for six-month periods. **A 5% penalty will be assessed for the first extension. All stumpage prices will be increased an additional 10% for the second extension and all additional extensions.**
3. Whenever a sale area is divided into two or more cutting zones, one zone must be completed before cutting may begin on another zone, unless otherwise specified under special conditions.
4. Permission to cut in more than one cutting zone at a time will be granted only upon proof of hardship by the operator. If approval is granted, the operator will be required to furnish an additional performance bond prior to cutting.
5. No disturbance will be permitted within any wildlife openings as designated on the individual sale maps.
6. Full tree skidding (trees with tops) will be permitted only upon approval of the Forest Superintendent.
7. Logging debris must not be left on wood landing sites. Debris must be spread evenly over the cutting area concurrently with hauling.

Bidding and Financing

1. All bids must be submitted on a Department "Timber Sale Bid" form.
2. All species, product volumes, and minimum top diameters of utilization for each species must be included on the bid form.
3. A deposit must be submitted with each bid. The amount of deposit required is listed in this prospectus for each individual tract.
4. The deposit submitted with the bid will be considered a bid bond. The deposit will be forfeited by the successful bidder if the bidder fails to sign the contract within 30 days of the bid opening date.
5. Successful bid bonds may be used as a performance bond after the contract is signed, or they may be returned to the contractor if an assurance bond, irrevocable letter of credit, or any other method listed on the bid form is used for performance.
6. Assurance bonds or letters of credit must be presented prior to signing of the contract; EXPIRATION DATE FOR ASSURANCE BONDS OR LETTERS OF CREDIT SHALL NOT BE LESS THAN 4 YEARS FROM CONTRACT BEGINNING DATE.
7. Upon completion of the sale, the performance bond may either be refunded or withheld in total or in part as liquidated damage according to the conditions of the sale. Performance bonds cannot be applied toward final stumpage payment.
8. Bids should be submitted in sealed envelopes and marked "Bid for Timber Stumpage" on the outside.
9. The Department of Natural Resources reserves the right to reject any or all bids.

Utilization

1. All trees designated for cutting that will make one or more 100-inch pulpwood sticks to the minimum top diameter chosen by the bidder will be cut.
2. All timber marked or designated for cutting will be utilized whether or not the quantity is more or less than the estimated.
3. All merchantable wood bulldozed out during road construction must be utilized.

Scaling

1. All products will be scaled on the sale area unless other arrangements are made with the Forest Superintendent.
2. All hardwoods, except aspen, will be scaled to a 10-inch top diameter as sawlogs. All white pine, red pine, and white spruce will be scaled to an 8-inch top diameter as sawlogs unless obviously unfit. Wood that is unfit for sawlogs will be scaled as pulpwood to the minimum top utilization diameter chosen by the bidder.
3. Aspen cut in lengths longer than 100 inches will be scaled by the board foot and converted to cords scale.
4. Logs will be yarded for scaling. If logs are decked, the log lengths will be marked on the small end of the log with lumber crayon.
5. All pulpwood will be piled for scaling. Piles will be level and square with at least 2 cords per pile. At least 40 cords or the equivalent in logs will be piled before a scale is requested.
6. When peeled cordwood is scaled, 12.5% will be added to hand peeled volume, 16% to ring debarked volume, and 25% to other machine peeled volume to determine equivalent unpeeled volume.
7. Pine and hardwood sawbolts, which normally would have been cut into sawlogs, will be scaled by the cord. Sawbolt cordwood will be converted to MBF using a cord equivalent of 2.44 cords per MBF for pine and 2.20 cords per MBF for hardwoods.
8. Sawbolts must be separated from pulpwood for scaling purposes.
9. All wood, irrespective of top diameter, harvested from the sale area must be accounted for and payment made.

Roads and Camps

1. Locations of roads and camps must be approved by the Department of Natural Resources.
2. Road entrances must be cleaned up of all roots, stumps, and down trees at time of construction and kept neat and in good repair during the contract period.
3. No camps will be permitted on any of the lakes or rivers or within sight of any town, county, or state road in the sale areas, nor will construction of any roads or trails be permitted to any of the lakes or rivers in the sale areas.
4. Camps and sale roads will be kept neat, clean, and free of garbage, oilcans, plastic bottles, and miscellaneous trash throughout the contract period.
5. All camps will be of a temporary type only. No permanent residence of any kind will be permitted on timber sale areas. A camping permit is required. Please advise the sale administrator.
6. All new roads leading off of federal, state, and county highways require a written permit prior to construction.

Aesthetic Areas

1. Aesthetic areas of timber will be left along all federal, state, county, and town roads and along all lakes and streams in the sale area.
2. Trees to be cut within aesthetic areas will be marked with yellow or orange paint. Trees to be cut within aesthetic areas may also be designated under special sale conditions.
3. Slash resulting from cutting in these areas will be lopped and/or scattered to lie within two feet of the ground concurrently with the cutting operation.
4. Slash within all roadside aesthetic areas will be pulled back at least ten feet inside of the tree line concurrently with cutting.
5. Wood landings will not be permitted within aesthetic areas unless specific permission is given.

Worker's Compensation Law Certificate

A certificate of insurance showing proof of "Worker's Compensation Law" compliance is required to be in the Department file prior to the beginning of any work on a contract area. The certificate on file must cover the contract period and all employees working on the sale area.

Procedure for Submitting Bids

All bids must be submitted on Department Timber Sale Bid Form and shall include the following:

1. Tract number.
2. List of all tree species and products to be cut.
3. Bid price per volume unit for the minimum top diameter of utilization chosen and related volume listed herein.
4. The required deposit as specified for each tract. This deposit can be in the form of cash, certified check or personal check.
5. Check off the type of performance bond to be used in the appropriated box on the bid form.
6. Signature and address of bidder.
7. Lump sum bids will not be accepted.
8. Persons desiring to bid on more than one tract must submit separate bids on each tract with separate deposits for each tract.

Additional information, special sale conditions, maps, sample contracts, and bid forms can be obtained from the Forest Superintendent, Trout Lake Forestry Headquarters, 4125 County Highway M, Boulder Junction, Wisconsin 54512.

The Department of Natural Resources reserves the right to reject any or all bids.

Bids will be opened publicly at the Boulder Junction Community Center at 1:30 p.m. on the dates specified at the beginning of this notice.

DEPARTMENT OF NATURAL RESOURCES
Scott Hassett, Secretary

By:
Northern Highland-American Legion State Forest